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payment. As in the 1964 program, the national average loan rate is used to establish a separate loan rate for each county. The national average support loan rates and the price-support payment rates for the feed grains covered by the program are as follows:

	Loan Rate	Price-Support Payment For All Counties	Total Support
Corn (per bu.)	\$1.05	\$0.20	\$1.25
Barley (per bu.)	0.80	0.16	0.96
Grain Sorghum (per cwt.)	1.65	0.35	2.00

ELIGIBILITY FOR PRICE SUPPORT AND PAYMENTS

Eligibility for diversion payments and price support is conditioned upon maintenance of the normal acreage (based on 1959-60 average) in conserving uses or practices, including summer fallow and idle land on the farm. As in 1964, the acreage diverted from feed grains and devoted to conservation uses in 1965 will be in addition to the normal conserving base acreage for the farm.

SUBSTITUTE "NONSURPLUS" CROPS

A determination whether substitute crops may be grown on diverted acres in 1965, will be made later.

PRODUCERS WITH MORE THAN ONE FARM

A producer with an interest in the feed grain crops on more than one farm may limit his participation to one farm. However, the planting of feed grain in excess of the feed grain base on any other farm in which he has an interest will disqualify a producer for feed grain payments and price supports on the participating farms.

RELATIONSHIP WITH OTHER PROGRAMS

Staying within the farm acreage allotments for other crops is not a requirement for participation in the feed grain program. However, planting additional acreage to other crops such as wheat, could result in failure to maintain the farm's normal conservation-use acreage, including summer fallow and idle cropland. This would make the farm ineligible for diversion payments, price-support payments, and price support on the feed grains.

SIGNUP PERIOD

The signup period begins Monday, February 8, 1965, and ends Friday, March 26, 1965.

FOR ADDITIONAL DETAILS, see your ASC county committee.

1998 APR 32 A 7:51

RECEIVED BY: THE FEED GRAIN PROGRAM 1965

The Feed Grain Program for 1965 is basically the same as in 1964.

- * It is voluntary.
- * It combines corn, grain sorghum, and barley in a single base.
- * Participating farmers will qualify for diverted-acre payments and price-support payments, and they will be eligible for price-support loans.
- * It offers producers another opportunity to reduce the grain surplus while maintaining, or improving feed grain income.
- * It will also exert a stabilizing influence on feed grain prices. Participation of more than a million farmers in each of the 1961, 1962, 1963, and 1964 programs will result in reducing the feed grain carryover stocks from 85 million tons down to about 58 million tons.

The 1965 program provides these improvements over the 1964 program:

- * Opportunity to substitute feed grains for wheat or wheat for feed grains by growers who take part in both programs.
- * A special provision for certain varieties of malting barley.

PARTICIPATION CHOICES

Each feed grain producer who takes part may choose the eligible cropland to come out of feed production and go into conserving uses. To meet the needs of most farmers, the program provides a range in the acreage which may be diverted:

1. The *smallest* acreage of cropland that can be diverted for payment is 20 percent of the feed grain base for the farm.
2. The *largest* acreage on which payment can be made for diversion is 50 percent of the farm's feed grain base, or 25 acres if this is more than 50 percent of the base. However, payment will not be made on more acres than are in the base. (No change from 1964 program except when an oat-rye base is established.)

FARM FEED GRAIN BASE

Feed grain bases have been figured by the same method used in 1964—based in general on the average number of acres on which feed grains were produced in 1959 and 1960. The feed grain acreage for a farm includes corn, barley, and grain sorghum. The farm feed grain base established by the ASC county committee and furnished to each producer is the starting point in figuring the diverted acres.

On farms that produce more than one of the feed grains—barley and corn, for example—the total feed grain base will include a corn base and a barley base. On such farms the operator may choose to divert acreage from either barley or corn, or to divert part of the acreage from barley and part from corn. The diversion payment rate will be based on the kind or kinds of feed grain crops from which acreage is actually diverted on the farm.

SUBSTITUTION

If you as a program participant want to substitute feed grains for wheat or wheat for feed grains, you will sign up in both programs. Then increase your farm's 1965 acreage of cropland devoted to conservation use above the conservation base by not less than the sum of the acreage signed up for diversion to conserving uses under both programs (including the 11.11 percent of the wheat-allotment acres).

Winter wheat producers may change their intentions during the feed grain signup. However, producers in predominantly winter wheat areas may take advantage of the substitution provisions only if they signed up for the wheat program last fall.

OAT-RYE BASE

Farmers signing up for both the wheat and the feed grain programs, and who have an oat or rye acreage history may ask that an oat-rye base be established for their farms. The minimum diversion from the oat-rye base is 20 percent and the diversion payment rate is one-fourth the wheat diversion rate.

When an oat-rye base is used on a farm, wheat may be substituted for oats, rye, barley, grain sorghum, or corn. But corn, grain sorghum, or barley cannot be substituted for either wheat, oats, or rye when an oat-rye base is in effect.

DIVERSION PAYMENT

There are two diversion-payment rates. Either one or both of the per-acre rates may be used in figuring diversion payments. The lower rate, which applies to the first 20 percent of the feed grain base actually diverted, will be the normal yield for the farm times one-fifth the county total support rate (price-support loan rate plus the price-support payment rate).

The higher rate applies to the entire acreage diverted if both the intended diversion and the acreage actually diverted are equal to at least 40 percent of the base.

For example, on a farm with a base of 100 acres, if 30 acres are diverted within the signed intention, 20 acres will be paid for at the lower rate, 10 acres at the higher rate. If 40 acres are diverted within the signed intention, the entire diversion payment will be at the higher rate. However, if the actual diversion is less than 40 percent of the base, the higher rate would not apply to all acres diverted.

Payments for diversion under the substitution plan will be based on the actual crop, or crops, reduced below the wheat allotment or feed grain base. Thus when performance is determined, if the feed grain acreage exceeds the feed grain base, all the farm's diversion will be based on the applicable wheat diversion rate. Also, under the substitution plan, any diversion from feed grains in excess of the signed intention will be paid at the minimum feed grain diversion rate.

A provision in the law requires that feed grain diversion payments or price-support payments not exceed 20 percent of the value of the cropland diverted.

MALTING BARLEY

For certain malting varieties, producers having a history of producing malting barley can apply to overplant their barley base acreage by 10 percent. Producers electing this option will be eligible for the full county barley support rate based on a national average of 96 cents per bushel, but no barley diversion or price-support payments. On farms using the malting barley exemption, substitution of wheat for feed grain or oat-rye base acreages will not be considered as program participation.

NATIONAL AVERAGE SUPPORT RATES

The national average price-support rate for each of the three feed grains for 1965 is made up of an average price-support loan rate and a price-support

